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C O N F I D E N T I A L SECTION 01 OF 02 JERUSALEM 001451

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SIPDIS

NEA/IPA FOR GOLDBERGER/SACHAR; EEB/ESC/TFS FOR BACKEMEYER;
NSC FOR PASCUAL; TREASURY FOR SZUBIN/GRANT/ROSE/HAJJAR;
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TAGS: [ECON](#) [EFIN](#) [KTFN](#) [KWBG](#) [PTER](#) [PGOV](#) [KISL](#)
SUBJECT: DOJ ATTORNEYS DISCUSS ZAKAT COMMITTEES WITH AWQAF
MINISTRY

REF: A. JERUSALEM 1049
[1](#)B. JERUSALEM 1450

Classified By: Consul General Jake Walles, Reasons 1.4 (b) and (d)

[1](#)1. (C) Summary: Department of Justice attorneys met with Palestinian Authority Deputy Minister of Awqaf and Religious Affairs Salah Zuheika on July 15 to review the operation and composition of zakat committees in the West Bank and the Palestinian Authority's restructuring of these committees in 2007 (ref A). Zuheika claimed that 80-85 percent of the zakat committees under Awqaf authority were controlled by Hamas prior to the 2007 restructuring. End summary.

Lack of Oversight Prior to June 2007...

[1](#)2. (C/NF) During a July 15 meeting with Department of Justice attorneys Elizabeth Shapiro, Barry Jonas, and Jim Jacks in Ramallah, Deputy Minister Zuheika confirmed that zakat committees operated largely outside Palestinian Authority (PA) oversight prior to June 2007. According to Zuheika, the Ministry of Awqaf generally rubber-stamped the registration of zakat committees and did not follow up to ensure the committees were abiding by the (Jordanian) laws which governed their operation. For example, he noted all zakat committees are required to transfer 10 percent of their earnings to the Ministry in order to cover the operating costs of the Ministry and to keep the Ministry informed of the financial status of the committees. However, the Ministry did not enforce the licensing rules or the financial obligations until after June 2007.

[1](#)3. (C/NF) In November 2007, Prime Minister Salam Fayyad announced that the zakat committees would be restructured. Zuheika confirmed that the decision was taken in order to stop the exploitation of zakat committees for political purposes, but no public mention was made of Hamas or of the specific political affiliations of the different committees. Zuheika said the Ministry of Awqaf coordinated with the Ministry of Justice and instructed the Palestine Monetary Authority (PMA) to suspend certain bank accounts associated with the committees.

... Led to Hamas Dominance

[1](#)4. (C/NF) Zuheika estimated that 80-85 percent of the 93 zakat committees under Awqaf authority prior to November 2007 were controlled by Hamas, with the rest run by a mixture of Fatah, Hamas, and independent actors. However, he noted that even the mixed committees were effectively dominated by Hamas.

15. (C/NF) In response to DOJ questions, Zuheika characterized the level of Hamas involvement prior to November 2007 in a handful of organizations as follows:

- Nablus: Zuheika said this committee was "completely Hamas," though he noted that it undertook a number of "magnificent" charitable projects, including hospitals and a dairy farm.
- Tulkarem: "Mixed Independent, Fatah, Hamas."
- Jenin: "Mixed Independent, Fatah, Hamas, but Hamas controlled."
- Ramallah: "Pure Hamas."
- Qalqilya: "Mixed, but Hamas controlled."
- Hebron Islamic Charitable Society (Abdel Khalik Natche): "Viewed as Hamas" (Note: Not under Awqaf authority.)
- Bethlehem Orphan Care Society (Ghasan Harmas): "Hamas" (Note: Not under Awqaf authority.)

Restructuring Puts the PA Back in Control

16. (C/NF) Zuheika said the PA effort to restructure the 93 committees into eleven district committees allowed the Ministry to ensure the new directors of the committees were thoroughly vetted by Palestinian security services in order to keep out Hamas elements. Zuheika readily admitted that the Ministry has a long way to go to maintain proper oversight on the newly-formed committees. He noted both Egypt and Jordan have better oversight on their zakat committees than the PA does. He said he would like to institutionalize regular auditing and reporting requirements, and is working towards this goal, but lacks resources.

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WALLES